

Thursday March 11, 2004
Tucson, Arizona
UniSource Energy Services

UES PLEDGES MORE THAN \$100,000 TO HELP LOW-INCOME CUSTOMERS

TUCSON, Ariz.--(BUSINESS WIRE)-- March 11, 2004--UniSource Energy Services (UES) will provide more than \$100,000 in additional funding to programs designed to help low-income customers cope with rising gas bills.

UES will make a \$50,000 contribution next week to its customer-funded Warm Spirit program. The company also will begin matching its customers' contributions to the program dollar for dollar in 2005. Warm Spirit distributes contributions to participating social service agencies that provide emergency assistance to low-income UES customers who need help paying their gas bills.

UES also will provide \$50,000 in additional funding to its weatherization program, which helps low-income customers replace inefficient appliances and make home improvements that will improve energy efficiency and reduce their utility bills.

UES gas customers have faced higher bills this winter as a result of rising natural gas prices, a surcharge recovering the cost of past gas purchases and a 21 percent rate increase approved last year by the Arizona Corporation Commission (ACC).

"Both UES and the Corporation Commission want to help the customers who've been hit hardest by higher gas prices this winter," said Commissioner Jeff Hatch-Miller. "With these initiatives, we hope to provide immediate relief for high winter bills while helping the customers most in need to reduce their energy expenses over the long term."

Higher energy costs have increased demand for the emergency assistance provided through UES' Warm Spirit program. The social service agencies that distribute those funds provided bill assistance to 1,450 UES customers in 2003 from a variety of funding sources, including \$22,878 provided through Warm Spirit.

If customer contributions reach that same level this year, the \$50,000 addition from UES will result in more than a 200 percent increase in the amount of Warm Spirit dollars available to assist low-income customers in 2004.

Tamara Bohannon, a spokeswoman for Catholic Social Services, said she's grateful for the additional help from UES.

"This generous contribution from UniSource Energy Services will help us serve the needs of Arizona residents whose utility bills have added to their economic distress," said Bohannon, whose agency distributes Warm Spirit funds in the Prescott and Cottonwood areas. Warm Spirit funds also are available from other social service agencies throughout the UES service territory.

UES' weatherization program will provide up to \$2,000 per household to improve the energy efficiency of homes occupied by low-income residents, including the elderly or disabled. The

program includes payment for increased insulation, weather stripping, furnace filter replacement and furnace replacement.

UniSource Energy Services, a subsidiary of UniSource Energy Corp. (NYSE: UNS), provides electricity and natural gas to more than 200,000 customers across Arizona. For more information about UES, visit uesaz.com. For more information about UniSource Energy Corp., visit unisourceenergy.com.

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